



ARKANSAS REAL ESTATE COMMISSION

612 South Summit Street
Little Rock AR 72201-4740
(501) 683-8010

Broker Bulletin

August 1999

LICENSE LAW & REGULATION CHANGES

The enclosed material is being sent to all Principal Brokers and Executive Brokers because of the following changes. Act 471 passed by the Arkansas Legislature and signed by Governor Huckabee earlier this year amended the Arkansas Real Estate License Law as follows:

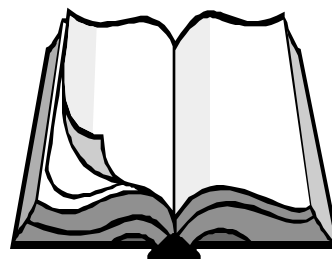
Arkansas Code Ann. §17-42-501(a)(1)(B)(i); (a)(2)(A) and §17-42-502(a)(2)

These changes require licensees on inactive status to complete six (6) classroom hours or equivalent continuing education units or correspondence work for each year inactive not to exceed thirty (30) classroom hours prior to activating a license and places the responsibility of completing at least one (1) hour in specific topic(s) selected by the Commission on the licensee rather than requiring that each CE course include the (1) hour requirement.

Commission Regulations 6.2, which pertains to Inactive Status Renewal **and 6.3**, which pertains to Expired Licenses, were amended as a result of the above changes.

All of these changes were effective August 1, 1999.

The attached pages, which include these changes, should be substituted for the existing pages bearing the same numbers in the July 1998 License Law book.



Agency Representation Pamphlet

The Arkansas Real Estate Commission has developed an Agency Representation Information and Disclosure pamphlet for use in explaining agency and disclosing agency relationships to buyers and sellers. A copy of the pamphlet is included with this Broker Bulletin. The pamphlet includes information about “Who do Real Estate Agents Represent in a Real Estate Transaction?” and also includes a tear off Agency Representation Disclosure Form. Copies are available at no charge to Principal Brokers for use by their licensees. An Order Form is included in this Broker Bulletin. The pamphlet can also be copied. Use of this Agency Representation and Disclosure pamphlet is not mandatory. Other types of disclosure forms that comply with Regulation Section 8 regarding Agency Disclosure are okay to use. ***Agency Representation Disclosure requirements also pertain to Rental transactions.*** The cost of producing these pamphlets is paid from the Recovery Fund.

The Agency Representation pamphlet is designed to be used to educate and disclose your agency representation to customers (*parties you don't represent*) with whom you initiate contact as well as clients. This pamphlet is not a contract and is not intended to establish agency relationship (i.e. Buyer Representation). Separate agreements should be used to establish agency representation agreements with buyers and sellers.

For example: If you represent the seller and you show that listing to the buyer who is not represented, use this pamphlet to disclose to the buyer that you represent the seller. Make your written disclosure on the tear off Agency Representation Disclosure Form. Have it signed by the Buyer and keep the tear off disclosure form for your records. The buyer gets the other part of the form, which includes information about Agency Representation.

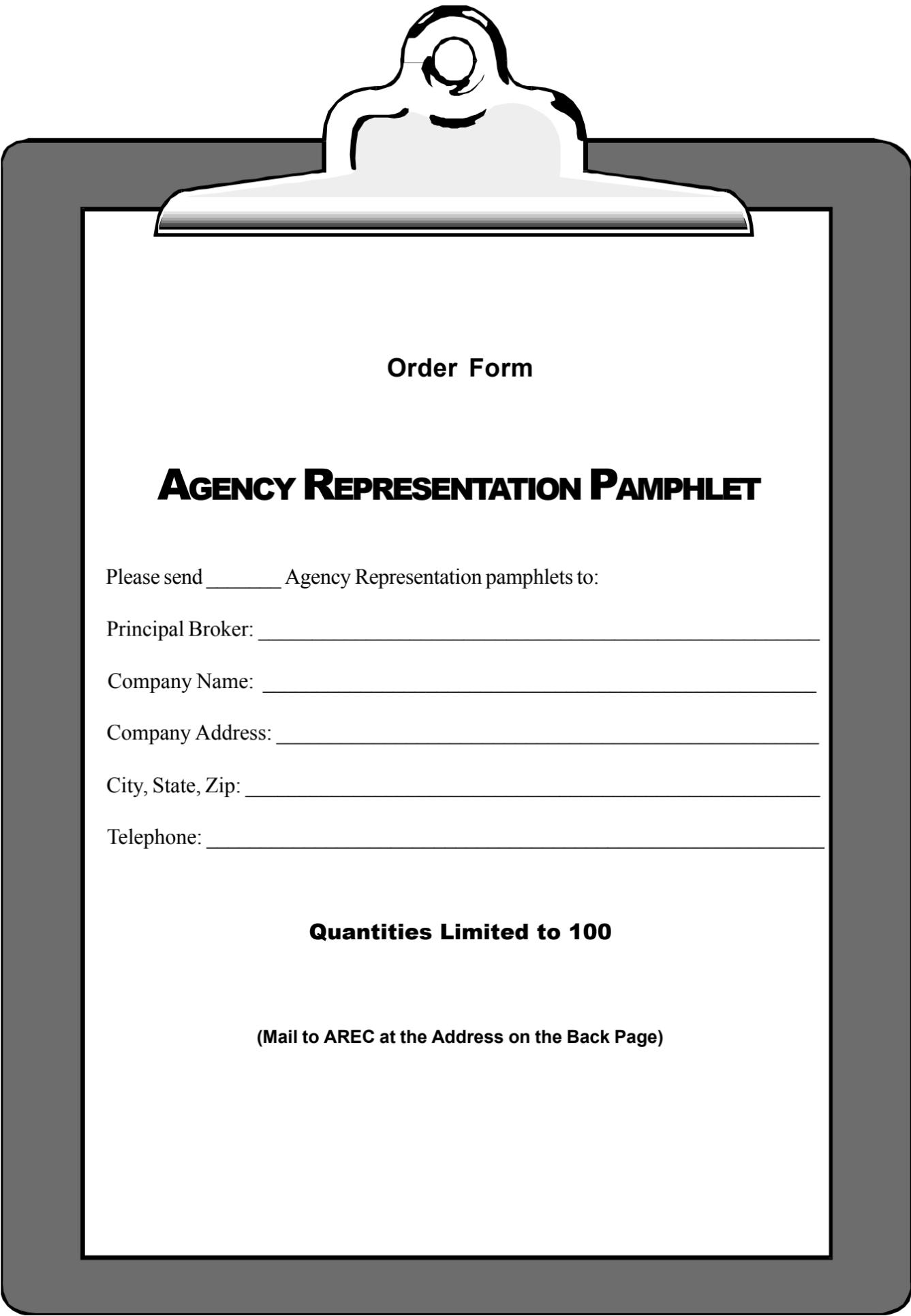
If you represent the buyer and you contact the seller who is not represented to show property not listed, use the pamphlet to disclose to the seller that you represent the buyer. The pamphlet is to educate and disclose to the public who real estate agents represent in real estate transactions.

In dual agency transactions where both buyer and seller are represented by the same real estate firm, this pamphlet can be used to disclose and educate. Disclose to each that you represent the other. This pamphlet could be given to the buyer to disclose that the real estate agent represents the seller and one to the seller to disclose that the real estate agent also represents the buyer in a dual agency transaction. This pamphlet does not establish any agency representation agreement. It only informs and discloses agency relationships. It discloses whom you represent in a real estate transaction.

In transactions where both buyer and seller are represented by different real estate firms, the pamphlet may or may not be used. If the buyer's agent discloses at first contact to the seller's agent that he or she represents the buyer, written disclosure can be made as late as the Offer and Acceptance contract.

This pamphlet was developed to help educate the public about Agency Representation. Please use it as an educational tool as well as a disclosure form.

Bill Williamson
Executive Director



Order Form

AGENCY REPRESENTATION PAMPHLET

Please send _____ Agency Representation pamphlets to:

Principal Broker: _____

Company Name: _____

Company Address: _____

City, State, Zip: _____

Telephone: _____

Quantities Limited to 100

(Mail to AREC at the Address on the Back Page)

AREC

Arkansas Real Estate Commission
612 South Summit Street
Little Rock, AR 72201-4740
Phone: (501) 683-8010
Fax: (501) 683-8020
E-mail: arec@mac.state.ar.us

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Little Rock AR**

What's Inside This Bulletin

License Law & Regulation Changes Including Copies of License
Law Replacement Pages

New Agency Representation Pamphlet Including Sample Copy of
Agency Representation Pamphlet

Order Form for Copies of Agency Representation Pamphlet